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Integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic, social and related fields

Follow-up to and implementation of the outcomes of the International Conferences on Financing for Development

Follow-up to the outcome of the Millennium Summit

Proposed programme budget for the biennium 2016-2017

Supporting the implementation of the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda of the Third International Conference on Financing for Development

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on supporting the implementation of the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda of the Third International Conference on Financing for Development (A/70/794). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses dated 2 May 2016.

Background

2. The Advisory Committee recalls that the Addis Ababa Action Agenda was adopted at the third International Conference on Financing for Development, held from 13 to 16 July 2015. Upon enquiry, the Committee was informed that, prior to the adoption of the draft resolution endorsing the Addis Ababa Action Agenda (A/69/L.82), the Secretary-General provided an oral statement on 24 July 2015, purporting to be made in accordance with rule 153 of the rules of procedure of the General Assembly, which stated that "it is not possible for the Secretariat to determine, at this stage, the full extent of the programme budget implications

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arising from the draft resolution". On 27 July 2015, the Assembly adopted resolution 69/313, endorsing the Addis Ababa Action Agenda.

3. With respect to the 2030 Agenda for Sustainable Development, the Advisory Committee recalls that the draft outcome document of the United Nations summit for the adoption of the post-2015 development agenda was agreed by consensus by Member States on 2 August 2015. Upon enquiry, the Committee was informed that, prior to the adoption of the draft resolution to adopt the 2030 Agenda (A/70/L.1), the Secretary-General provided an oral statement on 22 September 2015, purporting to be made in accordance with rule 153 of the rules of procedure of the General Assembly, which stated that "it is not possible for the Secretariat to determine, at this stage, the full extent of the programme budget implications arising from the draft resolution". The Assembly subsequently adopted resolution 70/1 on the 2030 Agenda on 25 September 2015.

4. The Advisory Committee recalls that rule 153 of the rules of procedure of the General Assembly states the following: "No resolution involving expenditure shall be recommended by a committee for approval by the General Assembly unless it is accompanied by an estimate of expenditures by the Secretary-General. No resolution in respect of which expenditures are anticipated by the Secretary-General shall be voted by the General Assembly until the Administrative and Budgetary Committee (Fifth Committee) has had an opportunity of stating the effect of the proposal upon the budget estimates of the United Nations." **In this regard, the Advisory Committee notes that with both the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development, the Secretary-General failed to provide an estimate of expenditures for the related draft resolutions, as required under rule 153. The Committee further notes that the Secretary-General had sufficient time prior to the adoption of the draft resolutions to produce the estimate of expenditures. The Advisory Committee stresses the fundamental importance of compliance with rule 153 to the integrity of the budgetary process and underscores the responsibility of the Secretary-General to comply with the rule in order to inform Member States of the budgetary implications of a draft resolution prior to adoption.**

5. Following the adoption of resolutions 69/313 on 27 July 2015 and 70/1 on 25 September 2015, the Secretary-General presented his report on the revised estimates resulting from the decisions contained in the two Agendas, dated 4 December 2015 (A/70/589). The Secretary-General requested an additional appropriation of $15,094,600 for the biennium 2016-2017 for the immediate implementation of the mandates called for in the two outcome documents (ibid., paras. 4 and 154). In its related report, the Advisory Committee noted the considerable period of time that had elapsed since the endorsement of the outcome documents (in July and September 2015, respectively) and the issuance of the Secretary-General's report, in December 2015, and considered the delay in the submission of the report to be unwarranted in view of its scope (see A/70/7/Add.39). The Committee also noted in its report that the late submission had impeded its ability to properly examine the proposals and to provide its observations and recommendations to the General Assembly. Under those circumstances, the Committee recommended that the Assembly authorize the Secretary-General to enter into commitments in an amount not exceeding $7,547,300 in the first year of the biennium for the implementation of the decisions contained in the two Agendas. The Committee indicated it would revert to these proposals at its next session

(ibid., paras. 4-6; see also para. 20 below). By its resolution 70/248 A, the Assembly endorsed the conclusions and recommendations of the Committee.

6. **The Advisory Committee regrets that, following the failure to provide budgetary implications prior to the adoption of the related draft resolutions, the Secretary-General then submitted the revised estimates for the two Agendas near the end of the main part of the seventieth session, which impeded the Committee's ability to properly examine the proposals and to provide its observations and recommendations to the General Assembly.**

Report of the Secretary-General

7. On 23 December 2015, the General Assembly adopted resolution 70/247, in which it recalled its resolutions 69/313 and 70/1 and requested the Secretary-General to provide, at the first part of its resumed seventieth session, a comprehensive proposal addressing the effective and efficient delivery of mandates in support of the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda of the Third International Conference on Financing for Development by the Secretariat, within the broader United Nations system, including the Department of Economic and Social Affairs, the United Nations Conference on Trade and Development, the regional commissions and the United Nations Development Account.

8. According to the Secretary-General, his report (A/70/794) was submitted pursuant to that request of the General Assembly. In the report, he indicated that it addressed how Member States were responding to the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda and the impact that the responses would have on the United Nations system; described the synergies between the Secretariat and the wider United Nations system; and presented the areas of activity by the Organization to support implementation by Member States of the two Agendas (see A/70/794, para. 3). The report did not include a detailed presentation and justification of related post and non-post resource requirements, which were set out in a separate unofficial document entitled "Supplementary financial information for the Advisory Committee on Administrative and Budgetary Questions" and marked "Not for distribution".

9. Upon enquiry as to whether the report complied with the request of the General Assembly, the Secretariat acknowledged that the report did not comply with the time frame set out by the Assembly, as it was submitted after the first part of the resumed seventieth session. The Committee was also informed that the report did not include the revised estimates proposed in the Secretary-General's previous report (A/70/589). The Committee was further informed that the Secretariat recognized that there would be other ways, for example, through the Economic and Social Council, to consider and decide on additional mandates, and related resource requirements would be submitted later, as appropriate.

10. **The Advisory Committee notes with concern that the Secretary-General's report does not comply with the request of the General Assembly, as the report is not a comprehensive proposal for the effective and efficient delivery of mandates in support of the two Agendas, given that additional resource proposals may be submitted later and the earlier proposed revised estimates were not included. The Committee emphasizes the importance of providing Member States with a full picture of the resources related to the effective and**

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efficient delivery of mandates in support of the two Agendas. The Committee also notes with concern that the submission of the report does not comply with the time frame set out by the General Assembly. In addition, the Committee considers that the detailed presentation and justification of related post and non-post resource requirements should have been included in the Secretary-General's report instead of being presented as supplementary information in an unofficial document.

11. In paragraphs 77 and 78 of his report, the Secretary-General set out the conclusion and action requested of the General Assembly (A/70/794). In paragraph 77, the Secretary-General requested that the Assembly approve the proposed strengthened roles and areas of activity of the departments and offices of the Secretariat. In paragraph 78, he further stated that, should the Assembly agree with the proposed strengthened roles and areas of activity, additional resource requirements in the amount of $33,486,000 net of staff assessment for the biennium 2016-2017 would arise, including the establishment of 62 temporary posts. Upon enquiry, the Advisory Committee was informed that the costs related to the 62 temporary posts were calculated based on a 50 per cent vacancy rate.

12. Upon enquiry as to the actions to be taken under paragraph 78, the Advisory Committee was informed that the report included proposals relating to departments/offices for (a) the strengthening of existing substantive roles; (b) the expansion of existing substantive activities; and/or (c) new substantive activities. The Committee was also informed that, in the view of the Secretariat, the proposals under category (a) included the strengthening of the Department of Economic and Social Affairs, the United Nations Conference on Trade and Development, the regional commissions and the United Nations Development Account, which were referred to by the General Assembly in paragraph 14 of its resolution 70/247. The Committee was further informed that the related additional resource requirements of these departments/offices were being requested in the report. The Committee was informed that proposals under category (b) comprised expanded elements of existing substantive activities that would require Assembly approval, and budgetary implications had been included for the Assembly's concurrent consideration and approval. The Committee was also informed that proposals under category (c) included new substantive activities, which would require substantive discussions by and the approval of the Assembly.

13. The Advisory Committee enquired as to whether the description of category (a) above indicated that all the activities and functions related to the Department of Economic and Social Affairs, the United Nations Conference on Trade and Development, the regional commissions and the United Nations Development Account had been mandated. The Committee did not receive a response to that enquiry. **The Advisory Committee stresses that it is incumbent upon the Secretary-General to provide the General Assembly with clear information in this regard.** The Committee also did not receive a response as to whether the Secretariat would issue a corrigendum to the report to present the categories (a), (b) and (c) above to the General Assembly and to request an appropriation for the implementation of activities under category (a), given the Secretariat's explanation that those related resource requirements were being requested in the report.

14. The Advisory Committee notes that the information from the Secretary-General on the three categories of proposals was not reflected in the report and was provided as written responses to questions posed by the Committee on the action requested of the General Assembly. The Committee is of the view that the Secretary-General did not provide a clear rationale as to how each proposal was categorized under this approach, in particular why certain resources of certain departments/offices, and not others, were deemed to be under category (a). The Committee is not convinced by the Secretary-General's explanation as to which departments/offices should be included or excluded, as the General Assembly, in its resolution 70/247, referred to implementation "within the broader United Nations system", which included, but was not necessarily limited to, the Department of Economic and Social Affairs, the United Nations Conference on Trade and Development, the regional commissions and the United Nations Development Account. The Committee considers, for example, that certain proposed resources relating to the Department for General Assembly and Conference Management could be considered, as they could be required to support mandated activities.

15. With respect to paragraphs 77 and 78 of the report, the Advisory Committee notes that, contrary to established practice, the Secretary-General's report does not contain a request for appropriation of the additional resource requirements, which would form the basis for a recommendation by the Advisory Committee for consideration and decision by the General Assembly. The Committee is of the view that, if the Secretary-General considered that all the resources related to the strengthening of existing mandated substantive roles were being requested in his report, the report should have included a full justification and a request for appropriation in that amount.

16. In the light of its observations set out in paragraphs 10, 14 and 15 above, the Advisory Committee considers the report of the Secretary-General to be incomplete and incoherent, and the responses provided by the Secretary-General to the Committee's questions only added to the confusion. The Committee expects future budget proposals to comply with the relevant rules and regulations and established practice, and to include a clear and fully justified request for appropriation of resources.

World Summit Outcome

17. In comparison, the Advisory Committee recalls the budgetary process followed by the Secretariat with respect to the 2005 World Summit Outcome. The 2005 World Summit was held from 14 to 16 September 2005 at United Nations Headquarters, in New York. Prior to the adoption of the draft resolution on the Outcome (A/60/L.1), the Secretary-General submitted a statement dated 14 September 2005, in accordance with rule 153 of the rules of procedure of the Assembly, setting out the programme budget implications, estimated at approximately $80 million (see A/60/355). On 16 September 2005, the Assembly adopted resolution 60/1 on the 2005 World Summit Outcome. The Secretary-General then submitted his report proposing related revised estimates, dated 3 November 2005 (A/60/537), which were endorsed by the Assembly on 23 December 2005 by resolution 60/246.

18. Subsequently, in its resolution 62/236, the General Assembly recalled its resolution 60/1 and requested the Secretary-General to provide a comprehensive proposal at the first part of its resumed sixty-second session with a view to improving the effective and efficient delivery of the mandates of the development-related activities of the Secretariat, including the Department of Economic and Social Affairs, the United Nations Conference on Trade and Development, the regional commissions and the Development Account. In response, the Secretary-General submitted a comprehensive report setting out resource proposals under sections 9, 10, 11, 12, 17A, 18, 19, 20, 21, 28D, 28E and 35 of the programme budget, concluding with a request for approval of specific posts and a request for appropriation in the amount of $25,571,000 (see A/62/708). **The Advisory Committee notes that the budgetary procedures were adhered to by the Secretary-General in the case of the World Summit Outcome. Considering this experience, the Advisory Committee regrets that the Secretary-General failed to comply with the relevant rules of procedure and the resolutions of the General Assembly in relation to the Addis Ababa Action Agenda and 2030 Agenda for Sustainable Development.**

Conclusion

19. **Having reviewed the entire budgetary process relating to the two Agendas as recounted above, the Advisory Committee expresses disappointment with the unsatisfactory management of the process and the non-compliance with relevant rules and regulations. The Committee also stresses that it is the responsibility of the Secretary-General to present coherent and actionable proposals to the General Assembly for its consideration and decision.**

20. **For these reasons, the Advisory Committee recommends that the General Assembly request the Secretary-General to submit, without further delay and no later than during the main part of the seventy-first session, a comprehensive proposal that addresses the effective and efficient delivery of mandates in support of the two Agendas, as requested by the General Assembly in resolution 70/247, and that takes into account the Committee's observations and comments above, in particular, it should present the total related resources, together with a request for appropriation, for the consideration and decision of the General Assembly. As the previous proposed revised estimates (see A/70/589) would be part of this upcoming comprehensive report, the Advisory Committee will revert to its consideration of the proposed revised estimates in that context.**

21. **Taking into account its views above on the Secretary-General's report, the Advisory Committee is not in a position at this stage to recommend the appropriation of resources. However, in order to prevent further delay, the Advisory Committee recommends that the General Assembly authorize the Secretary-General to enter into commitments in an amount not exceeding $10 million for 2016 for the implementation of activities mandated by the General Assembly in relation to the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development.**

22. **The Advisory Committee emphasizes that it is incumbent upon the Secretary-General to ensure that any expenditure is incurred only for activities mandated by the General Assembly related to the Addis Ababa Action Agenda**

and the 2030 Agenda for Sustainable Development. The Committee also expects that the Secretary-General will provide any clarification that may be required by the General Assembly in this regard. The Committee trusts that the next report of the Secretary-General will include information on any expenditure related to this commitment authority, as well as the previous commitment authority (in an amount not exceeding $7,547,300) approved by the General Assembly in resolution 70/248 A.